

CORRECTED FISCAL NOTE
SB 1667 - HB 1087

April 24, 2006

SUMMARY OF BILL: Provides tuition waivers at state institutions of higher education for certain students who are in or were formerly in state custody as foster children.

ESTIMATED FISCAL IMPACT:

On April 25, 2005, we issued a fiscal note which indicated *an increase in state expenditures of \$668,381 in FY05-06 and \$1,005,900 in FY06-07*. Based on current tuition costs, the estimated fiscal impact of this bill is:

(CORRECTED FISCAL NOTE)

Increase State Expenditures - \$ 836,600 FY06-07
\$1,259,100 FY07-08

Assumptions:

- Current enrollment distributions are used to establish a 67% attendance rate at community colleges and 33% at universities.
- The average tuition and activity fee at universities is \$4,594 and \$2,383 at state community colleges.
- There are an estimated 1,438 eligible children. Of that number it is assumed that approximately 250 foster children will take advantage of the tuition waiver program. Therefore, 250 children x (33% x \$4,594 + 67% x \$2,383) x 7½% tuition increase = \$836,619 FY06-07
- Retention rate from year-to-year is set at 40%. Therefore, (250 new students + 100 retained students) x (33% x \$4,594 + 67% x \$2,383) x 7.5% tuition increase for FY06-07 x 7.5% tuition increase for FY07-08 = \$1,259,111 FY07-08
- An average 7.5% increase in tuition is estimated year to year.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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